

BEFORE THE  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

MAILING ONLINE EXPERIMENT

Docket No. MC2000-2

RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS GARVEY TO  
INTERROGATORIES OF MAIL ADVERTISING SERVICE ASSOCIATION  
INTERNATIONAL, REDIRECTED FROM WITNESS POELLNITZ  
(December 28, 1999)

The United States Postal Service here provides the responses of witness Garvey to the following interrogatories of Mail Advertising Service Association, International: MASA/USPS-T2-6-10, filed on December 16, 1999 and redirected from witness Poellnitz.

Each interrogatory is stated verbatim and followed by its response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking



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December 28, 1999

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MASA/USPS-T2-6. State whether you adjusted the volume projections in the study that was the subject of witness Rothschild's testimony in MC98-1 to account for each of the following:

- a. The effect on volume of the anticipated availability during the experiment of additional features and capabilities, such as full color printing, first class single piece mailings where the address is different for each piece, nonprofit standard mail (A), priority mail, express mail and international rates;
- b. The effect on volume of the availability of some of the capabilities of MOL earlier during the experiment as a result of the delay in its implementation;
- c. Increasing public familiarity with and use of the internet since the date of the study, or since the termination of MC98-1;
- d. The effect on volume of the proposed increase of the duration of the experiment to three years; or
- e. The volume achieved during the market test.

With respect to each item, if you adjusted the volume projections to account for the item explain how you did so, and if you did not adjust the volume projections explain why not.

RESPONSE:

The Postal Service continues to rely upon volume projections presented in witness Rothschild's testimony since they are the best available estimates.

Subparts (a) and (c) are reasons why I believe those estimates actually understate expected volume.

As reflected in the fourth tab of the USPS-LR-29/MC98-1 (Version 3.0 mailing Online features), the currently proposed experiment will provide the same features originally envisioned for the previously requested experiment; thus subpart (b) should have no impact. Nor do I see subparts (d) or (e) having impact upon actual volume.

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MASA/USPS-T2-7. Describe the advertising plan contemplated as part of MOL II. Include in your description the advertising media that will be used and the time period and geographical areas in which the advertising will run during the duration of the experiment.

RESPONSE:

An advertising plan does not yet exist for Mailing Online.

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MASA/USPS-T2-8. Identify any marketing study conducted to determine the extent of the advertising necessary to reach the volumes predicted in your testimony and the testimony of witness Plunkett filed in support of the Request. If a marketing study has not been performed in connection with the volume estimates, describe any other marketing study that has been performed. Include in your answer a summary of the results of the study.

RESPONSE:

No marketing study has been conducted to associate advertising with estimated Mailing Online volumes. My understanding of PostOffice Online advertising media effectiveness and implications for future Internet services advertising was previously reported in Docket MC98-1, Tr. 12/2928-34.

No Mailing Online marketing plan is currently available.

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MASA/USPS-T2-9. Does the Postal Service intend to engage in advertising that would not be specific to MOL, but which it believes will serve to increase MOL usage?

RESPONSE:

Advertising specific to the products for which Mailing Online is an access channel – First-Class Mail, Standard Mail, Express Mail and Priority Mail – will continue and could also increase the usage of MOL. Additionally, the [www.USPS.com](http://www.USPS.com) URL will now appear more frequently in Postal Service lobbies and could result in increased traffic to that web site customers might find Mailing Online and become users, also increasing the usage of Mailing Online.

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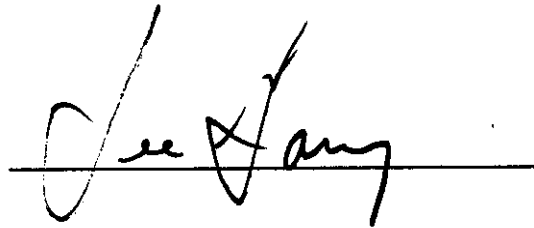
MASA/USPS-T2-10. Does the Postal Service intend to engage in any Internet product advertising that is not MOL specific? If so, please describe the advertising.

RESPONSE:

Several Internet products are currently offered or under development by the Postal Service as part of an organization-wide focus on enhancing our corporate Web site – USPS.com. Although Internet product advertising plans have not been prepared, it would make sense for future Postal Service advertising to reflect a unified approach to services and information available through that channel. See also my response to interrogatory MASA/USPS-T2-9.

**DECLARATION**

I, Lee Garvey, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

A handwritten signature in black ink, appearing to read "Lee Garvey", is written over a horizontal line. The signature is cursive and somewhat stylized.

Dated: December 28, 1999

## CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

*K N Hollies*

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Kenneth N. Hollies

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